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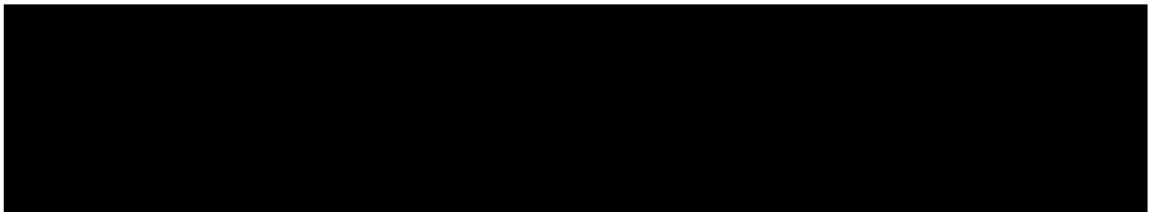
ENCLOSURE 1

TRANSPORTATION SERVICES

1. Vehicles in the United States

There are [] Agency-owned sedans and station wagons in use in the United States. A review of the operating record of these vehicles has revealed that [] have been operated for less than 8,000 miles during a 1-year period. The Government standard for minimum use of such vehicles is 10,000 miles annually. The Agency elements operating these vehicles have been informed of the results of this review. We will pursue action to obtain greater utilization or reduce the number of vehicles.

2. Vehicles Overseas



b. There are approximately [] sedans and station wagons in use by our overseas activities. There is no present requirement for the overseas activities to submit operations reports on these vehicles. If this requirement were imposed and if the percentage in meeting minimum standards were about the same as that for those in the United States, [] of these vehicles would be in the category of not being fully utilized. A program to eliminate vehicles overseas by review of operating reports as to the utilization could pay dividends, but we would not realize benefits from such dividends for an appreciable period of time because of the time required to initiate and complete such a review.

c. Another possibility in reducing vehicles overseas would be an arbitrary cut of, say, 10 percent across the board. The past history of vehicle use in the Agency would imply that such a cut could be made without any significant effect on the support of operations. The benefits of a cut made in this manner would be realized much more rapidly than those made by the type of review mentioned in the preceding paragraph.

d. We recommend the policy approval of both courses of action.

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